
SENATE BILL 5410

State of Washington

57th Legislature

2001 Regular Session

By Senators Stevens, Hochstatter, Fairley, Finkbeiner, McAuliffe, Rossi, Johnson and Rasmussen

Read first time 01/22/2001. Referred to Committee on Economic Development & Telecommunications.

1 AN ACT Relating to telecommunications services provided by
2 public utility and rural port districts; and amending RCW
3 54.16.330 and 53.08.370.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 54.16.330 and 2000 c 81 s 3 are each amended to read
6 as follows:

7 (1) A public utility district in existence on June 8, 2000, may
8 construct, purchase, acquire, develop, finance, lease, license,
9 handle, provide, add to, contract for, interconnect, alter,
10 improve, repair, operate, and maintain any telecommunications
11 facilities within or without the district's limits for the
12 following purposes:

13 (a) For the district's internal telecommunications needs; and

14 (b) For the provision of wholesale telecommunications services
15 within the district and by contract with another public utility
16 district.

17 ~~((Nothing in this subsection shall be construed to authorize
18 public utility districts to provide telecommunications services to~~

1 ~~end users.~~)

2 (2) Public utility districts are not authorized to provide
3 telecommunications services or facilities to end users. Contracts
4 with government agencies under chapter 39.34 RCW or otherwise for
5 the provision of telecommunications services or facilities by
6 public utility districts, in existence before the effective date
7 of this act, shall terminate within twenty-four months thereof or
8 as soon as an authorized telecommunications or internet provider
9 can provide services.

10 (3) A public utility district providing wholesale
11 telecommunications services shall ensure that rates, terms, and
12 conditions for such services are not unduly or unreasonably
13 discriminatory or preferential. Rates, terms, and conditions are
14 discriminatory or preferential when a public utility district
15 offering rates, terms, and conditions to an entity for wholesale
16 telecommunications services does not offer substantially similar
17 rates, terms, and conditions to all other entities seeking
18 substantially similar services.

19 (~~(3) When a public utility district establishes a separate~~
20 ~~utility function for the provision of wholesale telecommunications~~
21 ~~services, it)) (4) A public utility district providing wholesale
22 telecommunications services under subsection (1) of this section
23 shall establish a separate utility function for wholesale
24 telecommunications services.~~

25 (5) A public utility district providing wholesale
26 telecommunications services shall account for any and all revenues
27 and expenditures related to its wholesale telecommunications
28 facilities and services separately from revenues and expenditures
29 related to its internal telecommunications operations. Any revenues
30 received from the provision of wholesale telecommunications
31 services must be dedicated to the utility function that includes
32 the provision of wholesale telecommunications services for costs
33 incurred to build and maintain the telecommunications facilities
34 until such time as any bonds or other financing instruments
35 executed after June 8, 2000, and used to finance the
36 telecommunications facilities are discharged or retired.

37 (~~(4))~~) (6) When a public utility district establishes a
38 separate utility function for the provision of wholesale

1 telecommunications services, all telecommunications services
2 rendered by the separate function to the district for the
3 district's internal telecommunications needs shall be charged at
4 its true and full value. A public utility district may not charge
5 its nontelecommunications operations rates that are preferential
6 or discriminatory compared to those it charges entities purchasing
7 wholesale telecommunications services.

8 ~~((+5+))~~ (7) A public utility district shall not exercise powers
9 of eminent domain to acquire telecommunications facilities or
10 contractual rights held by any other person or entity to
11 telecommunications facilities.

12 ~~((+6+))~~ (8) Except as otherwise specifically provided, a public
13 utility district may exercise any of the powers granted to it
14 under this title and other applicable laws in carrying out the
15 powers authorized under this section. Nothing in chapter 81, Laws
16 of 2000 limits any existing authority of a public utility district
17 under this title.

18 **Sec. 2.** RCW 53.08.370 and 2000 c 81 s 7 are each amended to read
19 as follows:

20 (1) A rural port district in existence on June 8, 2000, may
21 construct, purchase, acquire, develop, finance, lease, license,
22 handle, provide, add to, contract for, interconnect, alter,
23 improve, repair, operate, and maintain any telecommunications
24 facilities within or without the district's limits for the
25 following purposes:

26 (a) For the district's own use; and

27 (b) For the provision of wholesale telecommunications services
28 within the district's limits. ~~((Nothing in this subsection shall be
29 construed to authorize rural port districts to provide
30 telecommunications services to end users.))~~

31 (2) Rural port districts are not authorized to provide
32 telecommunications services or facilities to end users. Contracts
33 with government agencies under chapter 39.34 RCW or otherwise for
34 the provision of telecommunications services or facilities by
35 rural port districts, in existence before the effective date of
36 this act, shall terminate within twenty-four months thereof or as

1 soon as an authorized telecommunications or internet provider can
2 provide services.

3 (3) A rural port district providing wholesale
4 telecommunications services under this section shall ensure that
5 rates, terms, and conditions for such services are not unduly or
6 unreasonably discriminatory or preferential. Rates, terms, and
7 conditions are discriminatory or preferential when a rural port
8 district offering such rates, terms, and conditions to an entity
9 for wholesale telecommunications services does not offer
10 substantially similar rates, terms, and conditions to all other
11 entities seeking substantially similar services.

12 ~~((3) When a rural port district establishes a separate utility~~
13 ~~function for the provision of wholesale telecommunications~~
14 ~~services, it))~~ (4) A rural port district providing wholesale
15 telecommunications services under subsection (1) of this section
16 shall establish a separate utility function for wholesale
17 telecommunications services.

18 (5) A rural port district providing wholesale
19 telecommunications services shall account for any and all revenues
20 and expenditures related to its wholesale telecommunications
21 facilities and services separately from revenues and expenditures
22 related to its internal telecommunications operations. Any revenues
23 received from the provision of wholesale telecommunications
24 services must be dedicated to the utility function that includes
25 the provision of wholesale telecommunications services for costs
26 incurred to build and maintain the telecommunications facilities
27 until such time as any bonds or other financing instruments
28 executed after June 8, 2000, and used to finance the
29 telecommunications facilities are discharged or retired.

30 ~~((4))~~ (6) When a rural port district establishes a separate
31 utility function for the provision of wholesale telecommunications
32 services, all telecommunications services rendered by the separate
33 function to the district for the district's internal
34 telecommunications needs shall be charged at its true and full
35 value. A rural port district may not charge its
36 nontelecommunications operations rates that are preferential or
37 discriminatory compared to those it charges entities purchasing
38 wholesale telecommunications services.

1 (~~(5)~~) (7) A rural port district shall not exercise powers of
2 eminent domain to acquire telecommunications facilities or
3 contractual rights held by any other person or entity to
4 telecommunications facilities.

5 (~~(6)~~) (8) Except as otherwise specifically provided, a rural
6 port district may exercise any of the powers granted to it under
7 this title and other applicable laws in carrying out the powers
8 authorized under this section. Nothing in chapter 81, Laws of 2000
9 limits any existing authority of a rural port district under this
10 title.

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